

POLICY FOR CONSIDERATION OF FUNDING REQUESTS FROM OUTSIDE ORGANIZATIONS

APRIL 2015

The City of Cottonwood receives many requests for financial contributions or fee waivers from a variety of organizations and programs that serve Cottonwood and the Verde Valley. The purpose of this policy is to provide a procedure for consideration of these requests. This policy is not intended to affect requests coming from other governmental entities.

Organizations requesting funds will be considered in one of the following groups in determining the procedure for consideration of the request.

- 1) **Core Service.** Those organizations providing a core or mandatory service on behalf of the city, that the city would otherwise have to provide. An example would be the Verde Valley Humane Society, which provides shelter services mandated by State Law.

PROCEDURE:

- The scope of services to be provided, the term of the agreement, and the cost for the service being provided, will be negotiated directly with the organization and set forth in a formal written agreement for services. Funding terms will typically coincide with the city's fiscal year, and will be provided for as a part of the normal budget cycle for the city.

- 2) **Value Added Benefit Services.** Those organizations providing an ongoing service that provides a value added benefit to the community, and that although not mandatory, would probably otherwise be provided in some manner by the city. Examples would include the Chamber of Commerce and the Old Town Association.

PROCEDURE:

- The scope of services to be provided, the term of the agreement, and the cost for the service being provided, will be negotiated directly with the organization and set forth in a formal written agreement for services. Funding terms will typically coincide with the city's fiscal year, and will be provided for as a part of the normal budget cycle for the city.

- 3) **Program Funding.** Those organizations, not considered providing the services described above, seeking funding for a specific program, project, or event. Eligible entities will be non-profits, or organized groups with operating by-laws. Individuals are not eligible.

PROCEDURE:

- The total funding available under this group will be 15% of the City Council's Undesignated Reserve Fund, as set forth in the adopted budget, not to exceed a maximum of \$15,000.
- In January the City Council will review the revenue and expenditures for the current fiscal year, and if they are relatively in line with the budgeted amount, the Council will authorize the release of a Request for Proposals for the available funds.
- The City Council will determine funding priorities for that funding cycle and will appoint a review committee to include a representative of the City Council, Planning Commission, Parks Commission, Library Board, city staff, and two citizens at large.
- The review committee will be responsible for preparing the RFP, including criteria for review of the applications.
- RFP's will be released in February requiring proposals to be submitted in March.
- The review committee will review all proposals and forward a recommendation to the City Council.
- The City Council will consider the recommendations of the review committee in April and provide tentative allocation letters to the organization(s) selected for funding, with funding available July 1.

It is understood that funding requests will arise that may need to be considered outside the normal funding cycle for Program Funding as described above. Also, it is expected that requests to waive or reduce various fees charged by the city will occur. These requests may be considered by the City Council.